

Financial Report



August 2012

Monthly Financial Report at a Glance

August 2012



	Current Month	Year to Date	Reference
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GENERAL FUND

General Fund Revenues	POSITIVE	POSITIVE	Page 2
General Fund Expenditures	NEGATIVE	NEGATIVE	Page 2
Overall Property Tax Revenue	POSITIVE	POSITIVE	Page 4
Overall Sales Tax Revenue	POSITIVE	POSITIVE	Page 5
Overall Intergovernmental Revenues	NEGATIVE	WARNING	Page 6
Overall Licenses and Permits	POSITIVE	POSITIVE	Page 7

ENTERPRISE FUNDS

Water and Sewer Rev vs. Exp	POSITIVE	POSITIVE	Page 8
Water Sales	WARNING	WARNING	Page 9
Electric Fund Rev vs. Exp	POSITIVE	POSITIVE	Page 10
Electric Sales	POSITIVE	POSITIVE	Page 11
Stormwater Rev vs. Exp	NEGATIVE	WARNING	Page 12
Stormwater Sales	WARNING	POSITIVE	Page 13
Landfill Rev vs. Exp	NEGATIVE	POSITIVE	Page 14
Landfill Sales	NEGATIVE	WARNING	Page 15

POSITIVE

= Positive variance or negative variance of less than 2% compared to seasonal trends.

WARNING

= Negative variance of 2% - 10% compared to seasonal trends.

NEGATIVE

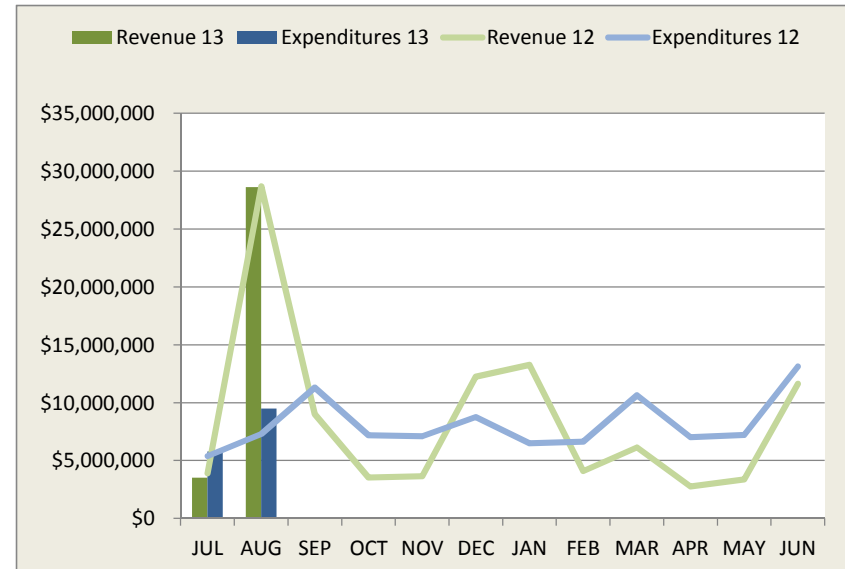
= Negative variance of greater than 10% compared to seasonal trends.

GENERAL FUND

FY 2012-13 REVENUE vs. EXPENDITURES

	2012-13 <u>Revenue</u>	% of <u>Budget</u>	2012-13 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$3,521,688		\$5,774,764		(\$2,253,076)
AUG	\$28,625,416		\$9,490,029		\$19,135,387
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$32,147,104	32%	\$15,264,793	14%	\$16,882,311
Budget	\$100,684,742		\$105,554,850		\$4,870,108 *

*reflects appropriated Fund Balance

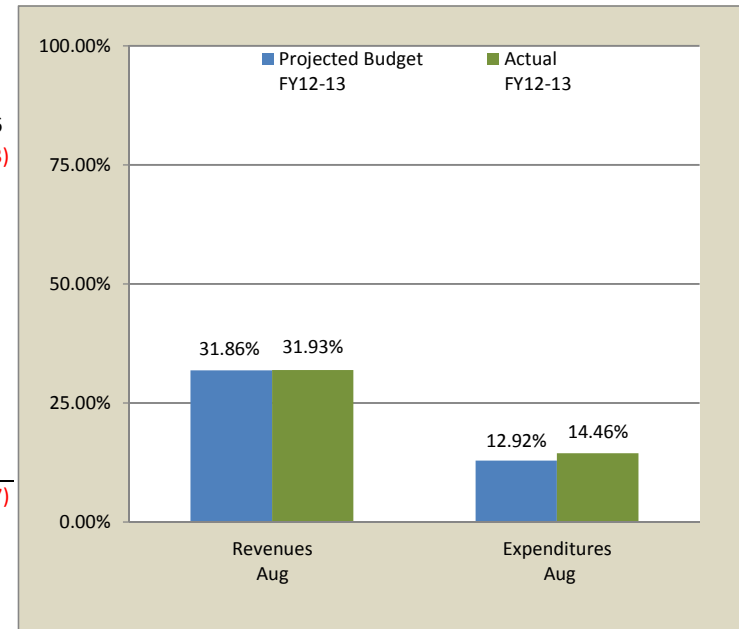


Revenues for two months into the fiscal year are 1.3% behind revenues from the same period last year. Revenues in the General Fund are \$16.9 million above expenditures through the second month of the fiscal year. For the month, revenues exceeded expenditures by \$19.1 million because August is a peak property tax revenue month. Expenditures are below projections at 14% of budget with 16.7% of the fiscal year being completed and revenues are ahead of the target at 32%.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS

	2012-13 Actual Revenue	2012-13 Budget Revenue	Variance	2012-13 Actual Expenses	2012-13 Budget Expenses	Variance
JUL	\$3,521,688	\$3,823,689	(\$302,001)	\$5,774,764	\$5,790,420	\$15,656
AUG	\$28,625,416	\$28,251,166	\$374,250	\$9,490,029	\$7,842,266	(\$1,647,763)
SEP						
OCT						
NOV						
DEC						
JAN						
FEB						
MAR						
APR						
MAY						
JUN						
Total	\$32,147,104	\$32,074,855	\$72,249	\$15,264,793	\$13,632,686	(\$1,632,107)



This chart illustrates the percentage of revenues and expenditures through two months of fiscal year 2012-13, actuals compared to projected budget. Revenues for August are ahead of what would be expected for this period; however, August had three pay periods compared to the typical two. For the year revenues are \$72,249 ahead of expectations.

Expenditures are \$1.65 million ahead of projected budget for August. For the year expenditures are \$1.63 million ahead of projected budget through August.

GENERAL FUND

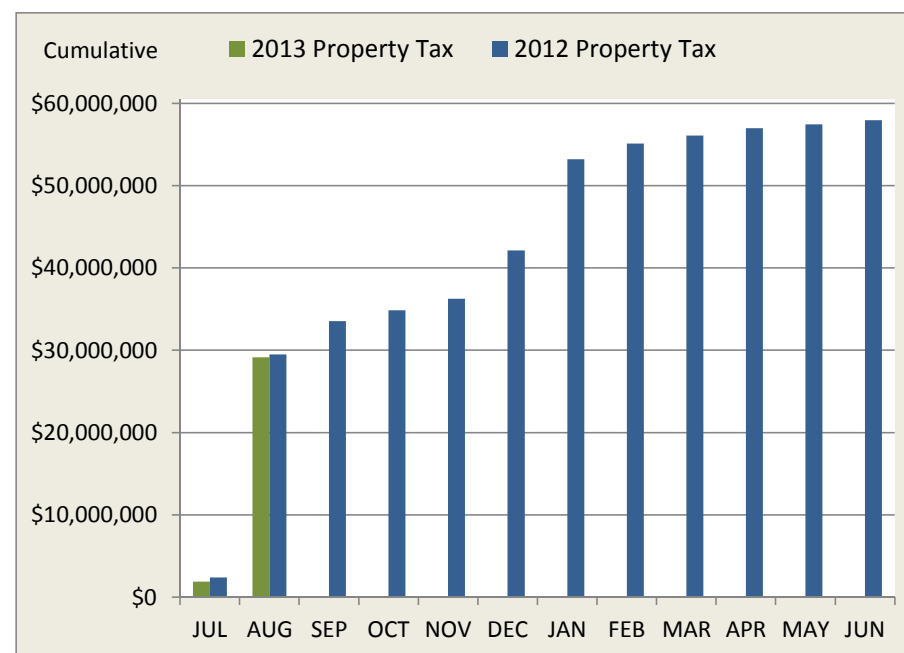
KEY GENERAL FUND PERFORMANCE INDICATORS -- PROPERTY TAX

Property Taxes - Cumulative

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$1,911,534		\$2,408,542		(\$497,008)
AUG	\$27,219,562		\$27,101,420		\$118,142
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$29,131,096	50.9%	\$29,509,962	51.6%	(\$378,866)

Projected \$ 56,266,089

\$57,187,197



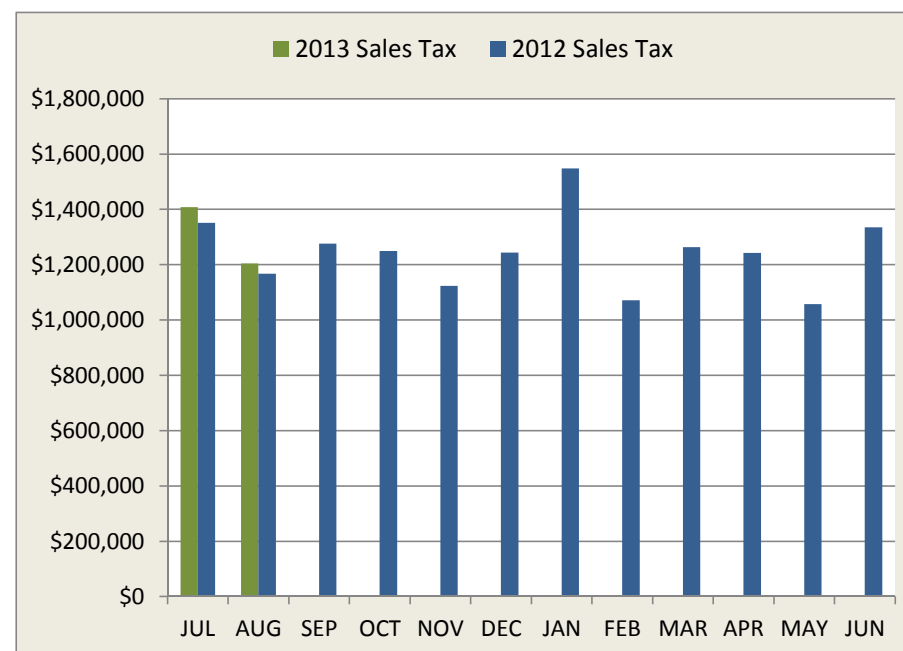
August 2012 property tax receipts were \$27.2 million which reflects an increase of just 0.4% over August 2012. Through two months, \$378,866 less cumulative property taxes have been received as compared to the same period last fiscal year.

Historically, 4 months of the fiscal year reflect the greatest property tax receipts – August and September and then December and January.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- SALES TAX

	Sales Taxes				
	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$1,407,901		\$1,351,109		\$56,792
AUG	\$1,204,429		\$1,167,278		\$37,151
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$2,612,330	16.9%	\$2,518,387	17.5%	\$93,943
Projected	\$15,500,000		\$14,388,815		



Sales taxes are collected by the State of North Carolina and distributed monthly. The receipts received for August came in October because tax distributions run on a 2 month delay (i.e. August receipts are distributed in October). August sales tax distributions again were above the same month in the prior year.

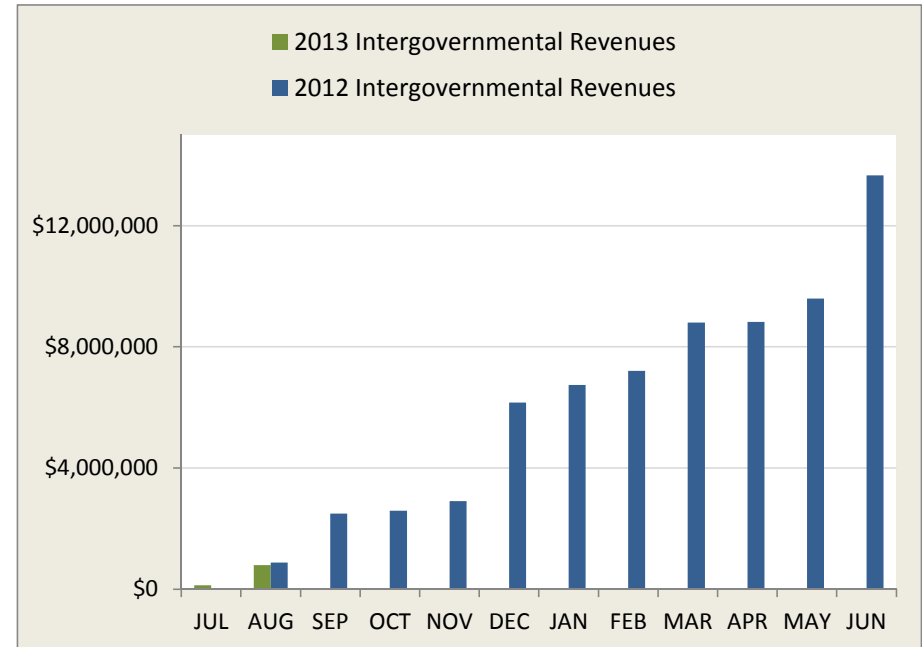
Receipts through the second month of the fiscal year are 3.7% ahead of the same period last year.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- INTERGOVERNMENTAL REVENUES

Intergovernmental Revenues - Cumulative

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$139,240		\$42,845		\$96,395
AUG	\$659,969		\$844,228		(\$184,259)
SEP					
OCT					
NOV					
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JAN					
FEB					
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APR					
MAY					
JUN					
TOTAL	\$799,209	5.8%	\$887,073	6.6%	(\$87,864)
Projected	\$13,822,207		\$13,523,942		



Intergovernmental revenues are those received by the City but collected by another governmental entity. Some of the major revenues include Powell Bill Highway Funds, Beer and Wine Tax, ABC Mixed Beverage Tax, Hold Harmless Reimbursement, and Utility Franchise Taxes received from the State of North Carolina. Many revenue sources are distributed on a quarterly, semi-annual, or annual basis.

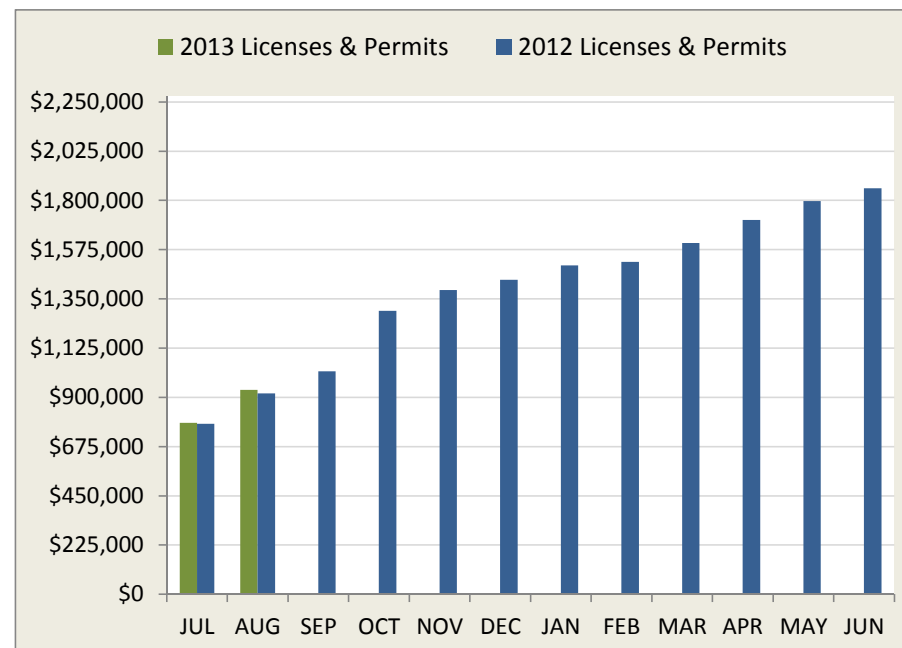
Through August these revenues are 9.9% behind last fiscal year at the same point. The State of North Carolina changed the Powell Bill distribution from an annual September distribution to a semi-annual reimbursement for half of the funds due to the City. With none of these revenues coming in yet, intergovernmental revenues are only 5.8% of budget instead of the 16.7% expected at this point in the year.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- LICENSES & PERMITS

Licenses and Permits - Cumulative

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$783,893		\$779,484		\$4,409
AUG	\$150,479		\$138,044		\$12,435
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$934,372	52.4%	\$917,528	50.8%	\$16,844
Projected	\$1,784,800		\$1,804,900		



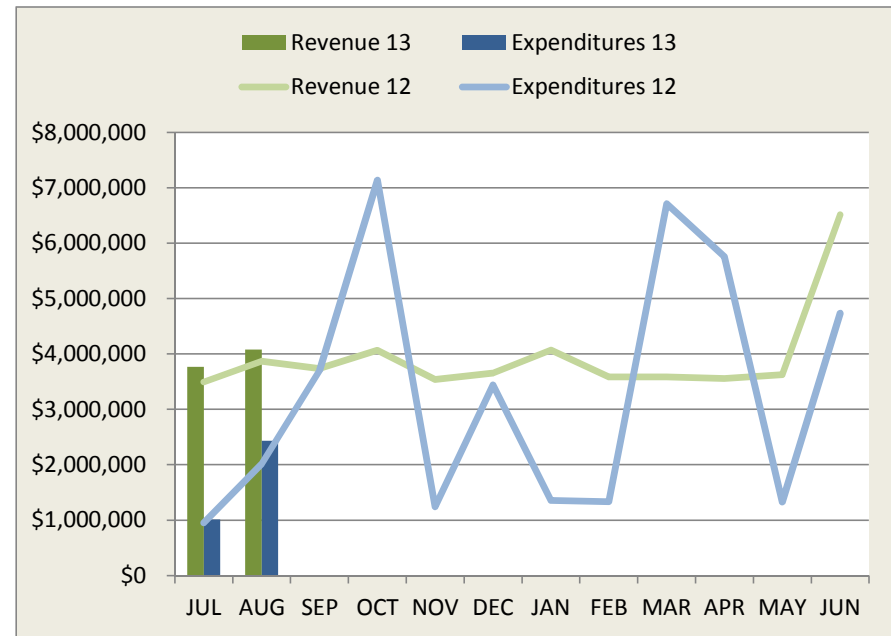
Licenses and Permits consist primarily of business license fees and building permits. Receipts through August are ahead of the same period last year by 9.0%. Business license fees are based on business sales receipts which can be indicative of the local economic climate.

Compared to budget, the licenses and permits category is 52.4% of the anticipated budget as compared to 50.8% for the same period in 2011-12.

WATER AND SEWER FUND

FY 2012-13 REVENUE vs. EXPENDITURES

	2012-13 <u>Revenue</u>	% of <u>Budget</u>	2012-13 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$3,771,048		\$1,012,850		\$2,758,198
AUG	\$4,082,578		\$2,430,880		\$1,651,698
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$7,853,626	17%	\$3,443,730	8%	\$4,409,896
Budget	\$45,684,224		\$45,684,224		



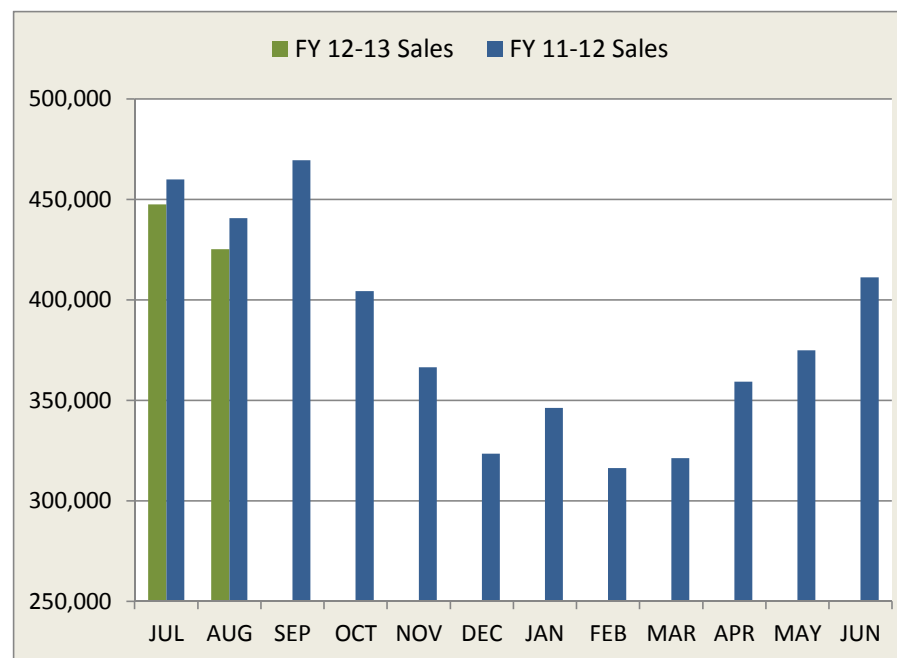
Revenues in the Water and Sewer Fund are \$1.7 million above expenditures in the second month of the fiscal year. Revenues are 17% of budget, which is just above the target of 16.7%; expenditures are at 8%, which is well below the benchmark. For the year revenues are \$4.4 million ahead of expenditures.

WATER AND SEWER FUND

KEY WATER AND SEWER PERFORMANCE INDICATOR

Unit Water Sales*

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	447,586		459,969		(12,383)
AUG	425,311		440,780		(15,469)
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	872,897	18.5%	900,749	19.2%	(27,852)
Projected	4,725,000		4,680,000		



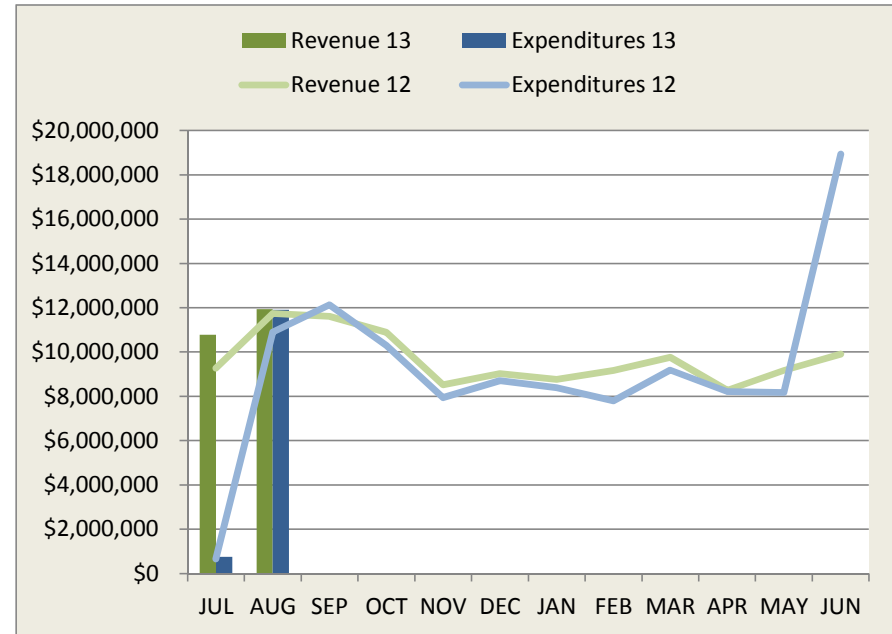
Water sales are down by -3.1% through the second month of FY 12-13 as compared to the same time period in FY 11-12. Comparing just the one month period, sales are down 3.5%. As was pointed out last month, sales were down last year as well, so this trend needs to be closely watched.

*Water sales are reported in units. Each unit represents 748 gallons of water use.

ELECTRIC FUND

FY 2012-13 REVENUE vs. EXPENDITURES

	<u>2012-13 Revenue</u>	<u>% of Budget</u>	<u>2012-13 Expenses</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$10,778,323		\$746,653		\$10,031,670
AUG	\$11,939,737		\$11,909,879		\$29,858
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$22,718,060	19%	\$12,656,532	10%	\$10,061,528
Budget	\$122,136,686		\$123,242,833		

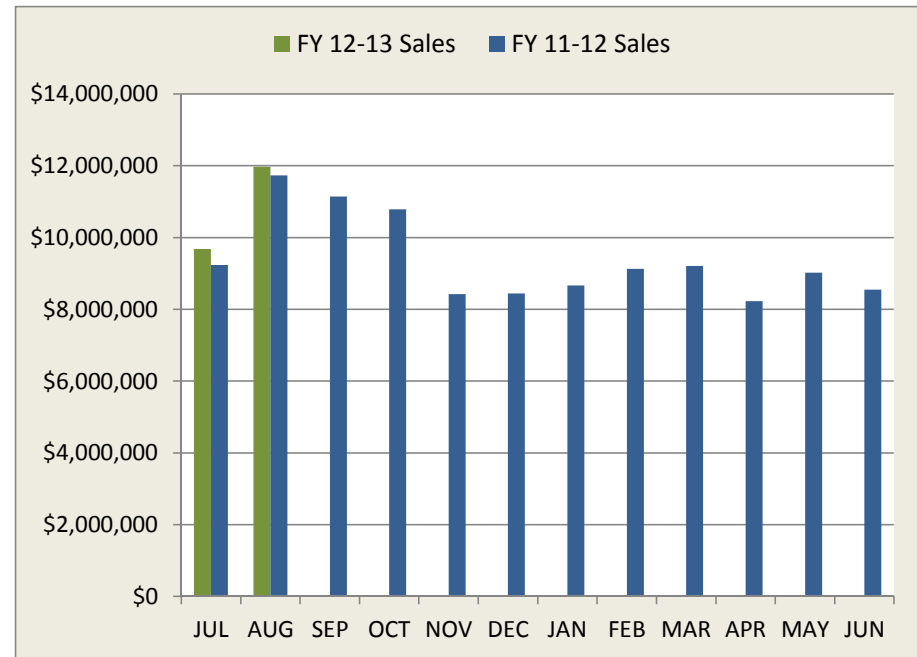


Revenues in the Electric Fund are \$22.7 million which is ahead of the same period in the previous year and \$10.1 million ahead of expenditures through the second month of the fiscal year. Expenditures for this period were higher than the same period last year. Expenditures for July do not include the wholesale power bill as that is received one month in arrears and will be credited back against the fund at the end of the fiscal year.

ELECTRIC FUND

KEY ELECTRIC FUND PERFORMANCE INDICATOR

	Electric Sales*				Net Difference
	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	
JUL	\$9,680,577		\$9,234,792		\$445,785
AUG	\$11,977,235		\$11,734,395		\$242,840
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$21,657,812	18.2%	\$20,969,187	19.3%	\$688,625
Projected	\$119,050,232		\$108,380,823		



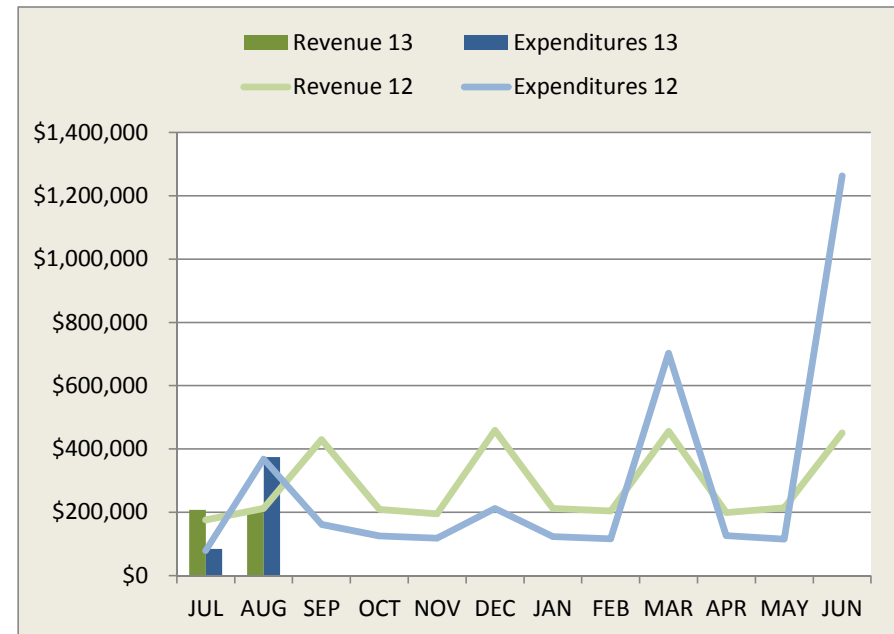
Electric sales are higher than last month and are above the same period from last year. Through this point in the year, sales are \$688,625 above the same period last year.

* Charges for service include industrial, commercial and residential service.

STORM WATER FUND

FY 2012-13 REVENUE vs. EXPENDITURES

	2012-13 <u>Revenue</u>	% of <u>Budget</u>	2012-13 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$207,822		\$83,844		\$123,978
AUG	\$207,619		\$374,203		(\$166,584)
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$415,441	12%	\$458,047	14%	(\$42,606)
Budget	\$3,341,039		\$3,341,039		



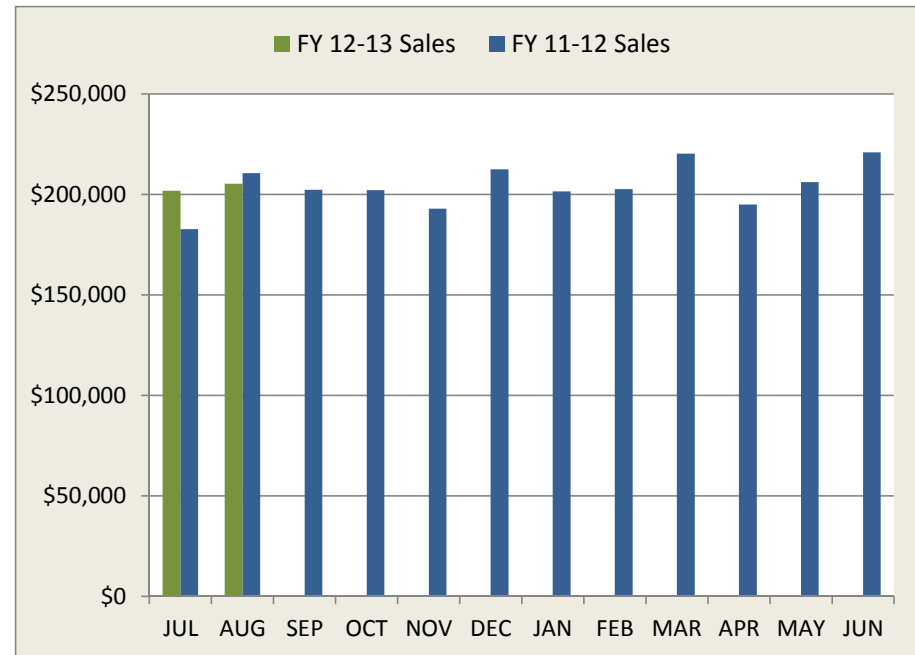
The Storm Water Fund is in a negative position through the second month of the fiscal year with expenditures being over revenues by \$42,606. The bulk of the increase in storm water expenditures stems from a large debt service payment. However, this discrepancy between revenues and expenditures will need to be watched to confirm that it is a one month anomaly since funds are being raised and maintained to support major storm water capital projects both later this year and in the future.

STORM WATER FUND

KEY STORM WATER FUND PERFORMANCE INDICATOR

Storm Water Sales

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$201,906		\$182,719		\$19,187
AUG	\$205,420		\$210,683		(\$5,263)
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$407,326	16.9%	\$393,402	17.1%	\$13,924
Projected	\$2,404,397		\$2,301,897		

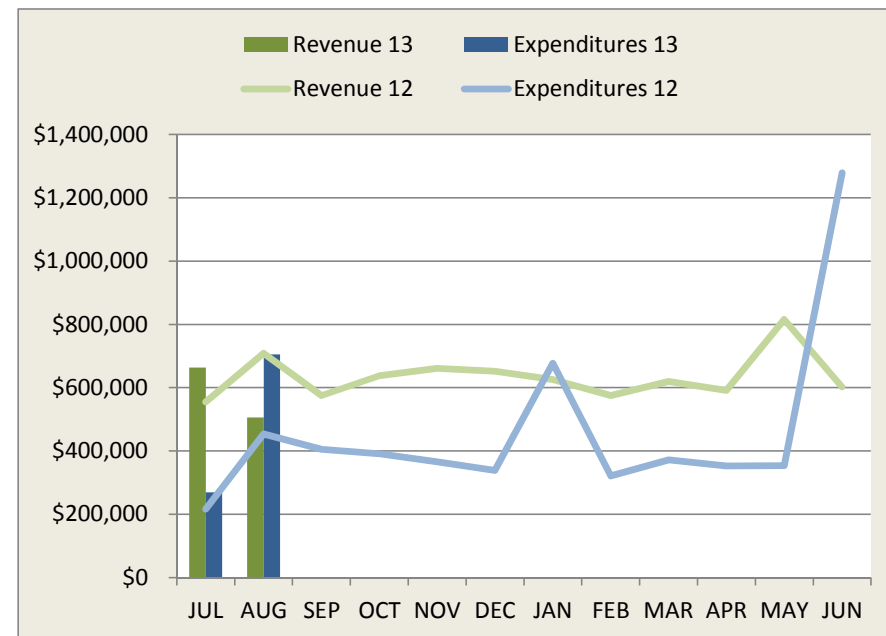


Storm Water sales are slightly ahead through the second month of FY 12-13 as compared to the same time period in FY 11-12. However, for the month they were down slightly as compared to the same month last year. Charges for services at 16.9% of budget are just ahead of the budget benchmark of 16.7% for this point in the year.

LANDFILL FUND

FY 2012-13 REVENUE vs. EXPENDITURES (Operating expenses exclude capital expenditures)

	<u>2012-13 Revenue</u>	<u>% of Budget</u>	<u>2012-13 Expenses</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$663,005		\$269,482		\$393,523
AUG	\$505,691		\$705,173		(\$199,482)
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$1,168,696	16%	\$974,655	19%	\$194,041
Budget	\$7,280,000		\$5,166,609		

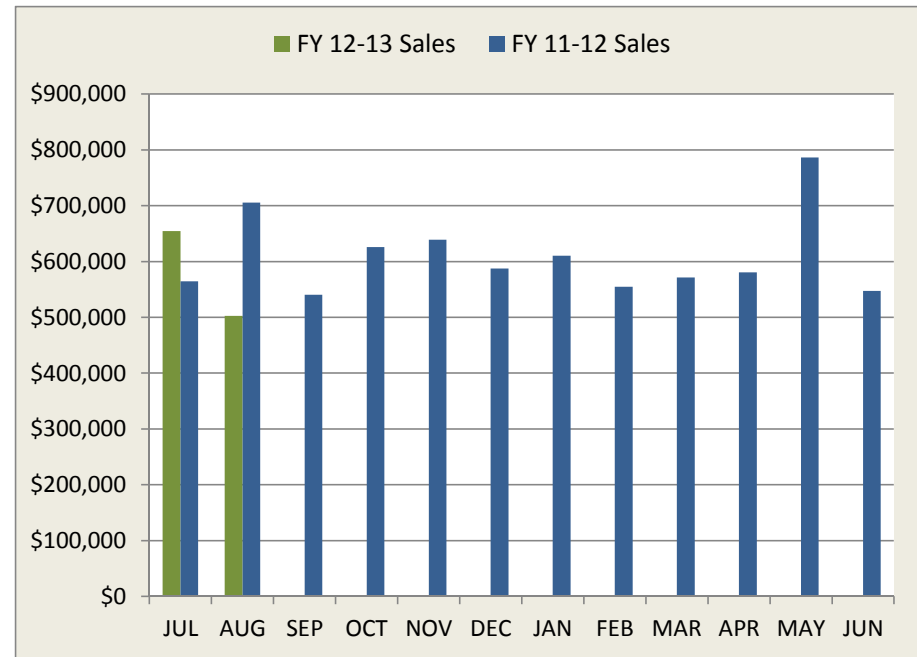


Revenues in the Landfill Fund for the second month of FY 12-13 are \$505,691 which is 28.6% below the same period during the previous year. This drop will need to be watched to see if is a trend or a one month anomaly. Revenues are 16.1% of budget which is slightly below the budget benchmark of 16.7% for this point in the year. Expenditures are above this benchmark at 19%. Revenues are running well behind expenditures for this month.

LANDFILL FUND

KEY LANDFILL FUND PERFORMANCE INDICATOR

	Landfill Sales				
	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$654,578		\$564,587		\$89,991
AUG	\$502,554		\$705,336		(\$202,782)
SEP					
OCT					
NOV					
DEC					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$1,157,132	16.1%	\$1,269,923	19.6%	(\$112,791)
Projected	\$7,190,000		\$6,495,000		



Landfill sales through August 2012 are 8.9% below the same period in FY 11-12 and are slightly below budgeted projections. With this decline in August, revenues through this month are \$112,791 below revenues in the same period last year.